NON-GOVERNMENTAL CONSTRAINTS
SAMPLE ANALYSIS
CITY OF LOS ANGELES (2001)

POTENTIAL AND ACTUAL NON-GOVERNMENTAL CONSTRAINTS

NATURAL DISASTERS

The residents of Southern California have experienced numerous disasters in the last few years including fires, floods, civil unrest, and earthquakes. The January 17, 1994 Northridge earthquake damaged or destroyed over 65,000 dwelling units. The Department of Building and Safety inspected 330,000 dwelling units and ordered approximately 20,000 vacated. In addition, more than 4,400 mobile homes fell off their supporting structures. These incidents culminated in the creation of "ghost towns" in several communities with concentrations in the West San Fernando Valley area. It is estimated that overall, the shaker caused about $20 billion in property damage, of which $1.15 billion was residential destruction.

Because many property insurers in Los Angeles were especially hard hit by the claims from this earthquake, they had to pull out of the market, canceling many homeowners' policies. Subsequent attempts to reinsure their properties were difficult for those who had their policies canceled. The State has had to re-enter this market by offering minimal earthquake insurance with high deductibles.

The Federal Emergency Management Assistance (FEMA) as the lead agency, coordinated the establishment of the Disaster Assistance Centers (DAC) for relief efforts to comprehensively address the varying problems. Included in the DAC were FEMA, HUD, the Departments of Water and Power, Building and Safety, Housing, and the Housing Authority of the City of Los Angeles (HACLA). With the approval of the Department of Housing and Urban Development (HUD), the Los Angeles Housing Department earmarked $1.25 million in Federal grant funds for earthquake relief, with the establishment of thirteen temporary field offices. The Los Angeles Housing Department (LAHD) reported that about 580,000 individuals registered for assistance at the Disaster Assistance Centers. Over 13,000 affected families received emergency Section 8 Assistance as a result of the earthquake. The majority of these families continue to receive assistance because of their low income.

CONSTRUCTION COSTS/PRICE OF LAND

Land, construction, and financing costs represent the most significant nongovernmental constraints in the production of housing for most income groups in Los Angeles. Land costs in this City are generally high due to high demand and the limited supply found in a built-out city. Land costs are seldom less than $15,000 per unit (multifamily), and construction costs may range from $50 to $93/sf. A typical 5,000 square foot single-family (R-1) residential building lot in Los Angeles in a medium-priced neighborhood sells for $100,000.

Construction costs include both "hard" and "soft" costs such as labor and materials (hard), and soft costs such as architectural and engineering services, development fees, construction financing, and insurance. Although the cost of construction financing has recently declined as interest rates have been reduced by two to three percentage points to about 8% in the period 1992 to 1997, it remains a significant part of the total cost of residential development.

Residential projects built at higher densities usually entail higher per unit construction costs due to different types of construction requirements than those developed at lower densities. Higher density is defined as over 30 to 35 units per acre. This is the density at which parking can no longer be accommodated in wood frame garages or surface lots, but requires a concrete structure. Given the City's parking code, which requires more than one space for all units larger than a studio, the 30 to 35 units per acre density is a common threshold for construction of parking structures. The high construction cost for parking structures is both a non-governmental and governmental constraint to economical housing development.

The zones most likely to produce affordable housing in the City of Los Angeles are the R5, R4 and R3 Zones. This is because of their relatively high density. The R5 zone permits up to one dwelling unit per 200 square feet of lot area. The R4 zone permits up to one dwelling unit per 400 square feet of lot area. The R3 zone while only permitting up to 800 square feet per dwelling unit is typically of a type of construction which is cheaper to build than that for the R4 and R5 zones and is, therefore, likely to produce affordable housing as well. This means that on an acre of land in the R5 zone 217 units, in the R4 zone 108 units and in the R3 zone 54 units could theoretically be constructed. This analysis is an over simplification of a significantly more complex situation which drives the housing market and particularly the affordable housing market. It should be pointed out that the above numbers apply to dwellings with less than four habitable rooms. Larger units would according to the City's Municipal Code have less density. The City follows State law and a 25% density bonus for the provision of affordable housing is automatically applied for any project. A conditional use like procedure is available for projects which require densities in excess of 25% in order to produce affordable housing. The City has granted density bonuses as much as 200% for affordable housing projects.

In the final analysis, other factors besides allowable density often determine whether affordable housing is constructed. These factors are not included in the analysis leading to the inventory included in this Element. For example, the price of land is one factor. In some areas of the City land prices are relatively low and it can reasonably be expected that the production of housing in the affordable price range can reasonably be expected. A recent study conducted in the Coastal zone showed the cost of land in the San Pedro/Harbor area to $44 per square foot. Land in the Pacific Palisades as a contrast was determined to be $90 per square foot, a significant difference making it extremely unlikely that affordable units be provided in the Pacific Palisades unless significantly subsidized by the City or required pursuant to implementing Mello Act legislation. On the other hand the San Pedro - Wilmington land costs make it economically feasible and more likely that affordable housing could be constructed. Obviously different pieces of land have constraints placed on them by virtue of their location, shape or other factors beyond the analysis used to produce the inventory in this document. Some zoning constraints such as limitations or incentives contained in specific plans can also affect the production of housing including affordable housing. Often times, particularly in the City of Los Angeles, the production of housing is on sites which are currently underutilized and have existing structures on the site which must be demolished or renovated in order to produce new units. In many cases, it is reasonable to expect that it is still economically feasible to do this, it is an added cost to the developer of the site and may make the site less desirable to develop.

The recession of the early 1990s had a major impact on the housing market due to property depreciation, foreclosures, and a sluggish sales pace. Property depreciation in many instances resulted in negative equity where mortgages exceed property values, sometimes resulting in abandonment of property. The number of foreclosed properties has further depressed the market. Resale properties often are on the market 6 months before sale occurs.

According to a Los Angeles Times article dated May 4, 1997, the median sales price for a single family home in Los Angeles County at that time was $166,800. (This price reflects a 16% depreciation from the median sales price in 1992 which was $200,000.) Assuming a 10% down payment of $16,700 and an 8%, 30-year fixed rate mortgage, monthly principal and interest payments would be $1,100. The down payment required to purchase housing also represents a major obstacle for most families.

The Los Angeles Times reported on March 27, 1995 that only 36% of all households in Los Angeles County could afford to purchase the median - priced house. The median rent in this City in 1990 was $680 per month. A family of four earning 50% of the median income can afford only $387 a month in housing expenses, not exceeding 30% of income (see Exhibit 40).

HOUSING DISCRIMINATION

Housing discrimination is prohibited by the federal Fair Housing Act of 1968, as amended in 1988, based on race, religion, color, national origin, gender physical or mental disability (including AIDS/HIV+), and familial status. The State of California also bans housing discrimination under the State Fair Employment and Housing Act and the Unruh Civil Rights Act, providing the same broad coverage as the federal law. In addition, State law bans housing discrimination based on marital status and sexual orientation. These laws provide protections against unequal treatment in a person's search for housing to rent or buy, mortgage lending, insurance and appraisal practices, and advertising. It is also illegal to threaten or intimidate a person in a protected class or any person who supports persons in the pursuit of their rights, or to engage in blockbusting and steering. Los Angeles further prohibits discrimination in rental housing based on age, student status, and AIDS.

Fair Housing Services in the City of Los Angeles

Los Angeles provides citywide fair housing services through its contract with the Fair Housing congress of Southern California, which subcontracts with local fair housing agencies for direct services. Funding for fair housing is primarily through Federal Community Development Block Grants. The subcontracting agencies include: Westside Fair Housing Council, serving the Westside and Hollywood; Fair Housing Council of San Fernando Valley; Long Beach Fair Housing Foundation, serving South Los Angeles, Central Los Angeles, and San Pedro; and Fair Housing Council of San Gabriel Valley, serving East Los Angeles. Fair Housing services are provided in at least English and Spanish, and include:

- Investigation of housing discrimination complaints
- Administration or judicial enforcement efforts related to individual or systemic forms of discrimination, conciliation by the fair housing agencies themselves, and follow-up
- Public education and targeted outreach
- Management training on fair housing laws
- Tester recruitment and training for investigating complaints
- Studies or audits to uncover patterns of discrimination
- Counseling likely and actual victims of discrimination, housing providers, homeowners, insurers, lender and other industry representatives
- Landlord/tenant referrals

Administrative remedies for housing discrimination are available through the State Department of Fair Employment and Housing and the United States Department of Housing and Urban Development (HUD). HUD investigates most discrimination complaints on mortgage lending due to the length of time, nature, and cost of such investigations.

Analysis of Impediments to Fair Housing

The City and County of Los Angeles jointly completed the Analysis of Impediments to Fair Housing Choice (Analysis) pursuant to regulations under the 1995 Housing and Community Development Consolidated Plan. The purpose of the Analysis was to require jurisdictions receiving federal housing and community development funds to engage in a fair housing planning process, identify local fair housing barriers and institute actions eliminate or mitigate them. Historical and current housing patterns in Los Angeles including segregation, illegal housing discrimination, racial attitudes, and publicly subsidized housing were all detailed in the Analysis. It also reviewed federal, state, and local fair housing laws; local policies impact fair housing; and local fair housing agencies. The Analysis identified twelve impediments to fair housing and recommended goals and remedial actions:

1. The lack of comprehensive fair housing planning
2. Insufficient monitoring and oversight of fair housing activities
3. Inadequate enforcement of fair housing laws through litigation

4. Discrimination against Latino and African-American households, families with children
5. Insufficient outreach about fair housing, especially to non-English speaking communities
6. Current mechanisms for identifying discrimination are predominantly reactive rather than proactive
7. Landlord/tenant counseling dilutes fair housing enforcement efforts
8. The lack of small-scale initiatives that could slow neighborhood resegregation and encourage neighborhood diversity endangers the generally high level of diversity in Los Angeles neighborhoods
9. Local Housing Authorities engage in little fair housing activities
10. Large public housing sites in the City and County of Los Angeles are often racially segregated by site or by buildings within a site, and in some cases, are rife with racial and gang-related violence
11. Public housing rental subsidy programs tend to intensify segregation and constrict residential choice

There is insufficient funding for specific fair housing activities, including multilingual professional fair housing staff, fair housing staff attorneys, and broad-based outreach and media programs.

EXHIBIT 40
AFFORDABLE MONTHLY HOUSING EXPENSE
CITY OF LOS ANGELES

Income Category*	Household Size (Number of Persons)				
	1	2	3	4	5
very low	$271	$310	$348	$387	$418
low	$433	$494	$556	$618	$667
moderate	$649	$742	$834	$927	$1001

*Annual incomes by Income Category:
- Very Low (< 50% of median): $15,462/yr. or $7.43/hr.
- Low (<80% of median): $24,740/yr. or $11.90/hr.
- Moderate(<120% of median): $37,110/yr or $17.84/hr.

Median Income Used: $30,925

Source: L.A. City Planning Department (based on H.U.D. Fair Market Rent Schedule - 1995).

Whereas the primary purpose of the Analysis was to identify barriers to fair housing, it also noted that Los Angeles is one of the most diverse and integrated cities in the nation. There are many positive features of Los Angeles' fair housing environment. These include the dramatic decline in housing discrimination experienced by African-Americans and the commensurate increase in the presence of African-Americans in formerly all white communities; the substantial degree of continuing assimilation experienced by the first generation immigrants and, to a lesser degree, Hispanic immigrants; the substantial increase in conventional financing for minority home buyers; and the remarkable levels of racial tolerance and attraction to diversity among most Los Angelenos

The Los Angeles Housing Department (LAHD), which is responsible for the City's fair housing program, views the Analysis of Impediments to Fair Housing as a significant working document for use in the fair housing planning process mandated by HUD. However, it must be noted that parts of the Impediments Analysis were controversial; it contained strong statements of opinion that were primarily representative of the principal author's research and fair housing background. The Fair Housing Congress Board of Directors and the Housing Authority of the City of Los Angeles strongly objected to the findings about their agencies.

In the one-year action plan developed by the LAHD from recommendations in the Analysis, the Housing Department will begin to develop a fair housing planning task force to further review the fair housing impediments and identify fair housing priorities for the region. Other activities in the action plan include more outreach to underserved immigrant and non-English speaking communities, targeted education about the kinds of discrimination that occur most frequently in Los Angeles (against Hispanics, and African-Americans, and families with children particularly in rental housing), and increased monitoring of fair housing programs. Future one-year action plans will continue to address impediments identified in the Analysis.

Private Funding

The only available source of data to measure the availability of private financing for housing is the Home Mortgage Disclosure Act (HMDA) data. Generated yearly by the Federal Financial Institutions Examination Council, HMDA data report information on the race, income level, and disposition of every home loan application submitted to a lending institution, as well as all loans purchased on the secondary market. This data can be evaluated to show a wide variety of lending activities, including financing availability. Though some data are available for mortgage refinancing and multiple-family structures, this analysis focuses solely on single-family home purchases. For this analysis, single-family residential is defined as residential properties with one to four housing units.

This analysis reviews HMDA data from 1993 through 1996. Data for 1997 were not available at the time this analysis was prepared. Data were reviewed only for single-family, owner-occupied home purchases in the City of Los Angeles. Data were generated at the Community Plan Area level on the number of applications, number of loans originated, number of loans denied, and number of loans purchased on the secondary market.

Throughout this analysis, the influence of two major events can be seen in the data: the 1994 Northridge earthquake and the recent economic recession. Where possible, the effect of these events is noted, though much deeper analysis of the data is required to clearly ascertain the extent of the effect of these events. Such analysis is not currently available for this review.

Loan Applications

There has been an overall increase of 57% in the number of applications for home purchase loans between 1993 and 1996 (Exhibit 41). Though there was a 21% decrease between 1994 and 1995, but the substantial increase in applications in 1996 resulted in an overall increase over the four-year study period.

The California Reinvestment Committee measures lender outreach efforts through the number of loan applications as a proportion of the total households in a census tract. This method would apply to Community Plan Areas (CPA) in this analysis as well. The total number of loan applications in a CPA are compared to 1990 population figures for the number of households in that CPA to generate a proportion of households seeking loans in that area.

An alternative approach to the question of loan interest and outreach in an area is to compare the number of applications to the number of owner occupied homes available in that area. The Western Center on Law and Poverty, in the 1991 report "Taking it to the Bank," took a similar approach, comparing the number of loans made to the number of residential buildings available in an area. This analysis refines this approach to compare the number of applications to the number of owner occupancy units (e.g., single-family homes and condos/townhomes) in an area. Since a large number of housing units in the City of Los Angeles are renter units, they are not available for purchase in the context of home ownership and would distort the analysis.

Though both approaches produce somewhat different results, there are strong patterns that emerge since 1993, mostly due to unique housing submarkets in the City of Los Angeles. For example, Central City shows one of the lowest rates of applications compared to the number of households in the area, but one of the highest rates of applications compared to the number of ownership units available in the area. Central City, which consists entirely of the downtown Los Angeles financial district, garment district, jewelry district, toy town, and civic center, is composed almost entirely of multiple-family buildings, with a large number of senior renters and transient homeless persons and families. Ownership opportunities are limited almost exclusively to condominiums. The senior and homeless population of this community would likely produce a low number of loan applications, but downtown businesses would likely purchase the condominiums for corporate use, accounting for the high number of applications. The same pattern is repeated in the Wilshire Community Plan Area, with a high number of seniors and a high concentration of luxury condominiums, and in Westwood, with a high student population.

Other areas of the City show a consistent pattern of higher than average applications compared to the number of households and the number of ownership units in the area. Canoga Park, Encino, Sherman Oaks, Bel Air, Brentwood, and Westchester since 1993 have shown consistently high proportions of applications compared to the number of households and the number of ownership units available in the area. The high rate of applications in the San Fernando Valley communities of Canoga Park, Encino, and

Sherman Oaks is attributed to turnover due to earthquake related relocations and sales resulting from the high number of foreclosures during the recession.

On the other hand, there are several communities that consistently rank lowest in both values. The Boyle Heights, Northeast L.A., Central City North, Silver Lake, Westlake, and Wilmington CPAs continually show the lowest rates of applications compared to the number of households in the area and in the number of available housing units in the area, and there are probably several different reasons for these findings.

Loan Originations

Loan originations generally indicate the willingness of lending institutions to commit financing to an area. For this analysis, the total number of loans originated (actual loans made to purchasers where the deal was completed) each year were divided by the total number of applications submitted each year to determine the proportion of loans originated by Community Plan Area. Loan originations fluctuated between 1993 and 1996 (Exhibit 42), with an overall Citywide increase of 15%. The proportion of loans originated to total applications has gradually diminished Citywide since 1993, when 55% of all loan applications resulted in a loan origination. By 1996, only 40% of all loan applications resulted in an originated loan. Although the overall proportion of loans originated has dropped compared to applications, the absolute number of loans originated has increased over this period. The lower proportion of originated loans is a result of the increase in the total number of applications submitted. There are several reasons for the increased number of applications and the lower rate of origination, such as an increase in the number of unqualified buyers or a tightening of lending criteria. As a result, the proportion of loans originated compared to applications submitted will fluctuate based on the number of applications submitted.

Loan origination patterns vary among the 35 Community Plan Areas, though there is generally very little variability in the proportion of loans originated to the total applications received. The Palms - Mar Vista area continually reports the highest ratio of loans originated to loan applications, although the total number of loans originated declined by 12% between 1993 and 1996. Other communities reporting high rates of loan origination include Reseda, Westchester, and San Pedro. Northridge and Granada Hills have also occasionally shown substantially higher rates of loan origination than other areas of the City. The higher rate of origination in Valley communities may be another earthquake related outcome in the housing market.

On the whole, loan originations are equal to or greater than the citywide average in communities where average household incomes are moderate to high. Communities with very high incomes, such as Bel Air and Westwood, generally have an approval ratio below the citywide average. In addition, communities with low average incomes perform substantially, though not significantly, below the citywide average as well. Boyle Heights, South Central, Southeast, West Adams, and Westlake CPAs have all performed well below the citywide average, although rates of loan origination are climbing in these communities. Although their 1996 rates were well below the City average, Southeast Los Angeles experienced a 69% increase in loan originations in 1996 compared to 1993, and Westlake experienced a 60% increase. Considering the greater competition for financing in 1996, the increase in lending in lower income communities is positive. However, some ground must be covered before lower income communities experience financing levels similar to moderate or high income communities.

Loan Purchases

An important indication of the availability of home loan financing is activity in the secondary loan market. A number of quasi-public institutions, such as Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac), and private institutions purchase loans from primary lenders. This frees capital for the primary lenders to make new loans. In this analysis, the number of home loan purchases on the secondary market were compared to the number of home loan originations in each Community Plan Area. The main problem with this variable is that all ownership units in an area are not available for purchase, so a low number of originations may not imply that there are fewer qualified borrowers than in another CPA. For example, loans written under "risky" terms are "seasoned", a process where secondary market purchasers wait to purchase a loan to determine whether the borrower adheres to the terms of the mortgage. Further, a portion of all ownership units in a community have no mortgage, and as a result there is no product available for purchase on the secondary market.

Between 1993 and 1996, an increase of 10% was registered in the secondary market purchase of single-family home loans in the City of Los Angeles. This increase occurred despite a significant drop in secondary market purchases in 1994 and 1995. The number of loans purchased in 1996 was nearly twice the number of loans purchased in 1994.

In general, loans made to higher income communities are purchased at greater rates than loans made to lower income communities. As Exhibit 43 shows, loans made in the lower income communities of South Central Los Angeles, Southeast Los Angeles, Arleta - Pacoima, and Mission Hills are purchased at much higher rates than in higher income communities. The volume of loan purchases shows that the highest number of loans purchased were in Canoga Park, Southeast Los Angeles, South Central Los Angeles, Hollywood, and Brentwood, with Southeast and South Central registering some of the lowest incomes in the City. Several low income areas experienced the highest activity level of homebuying for some reason.

One significant change in the pattern of loan purchases between 1993 and 1996 is the strong growth in purchases of loans from lower income communities. Pacoima experienced a 70% increase, Westlake experienced an 84% increase, South Central experienced a 118% increase, and Southeast Los Angeles experienced a 206% increase between 1993 and 1996. Whereas the trends for loan purchases in many communities over this time period involved a huge drop in purchases in 1994 and 1995 before returning to 1993 levels, loan purchases in these lower income communities remained stable or increased, showing the commitment of secondary market participants such as Fannie Mae and Freddie Mac to purchase loans from lower income areas and a great improvement over previous performance in those areas.

Conclusions

From a cursory review, it appears that financing for single-family household purchases is generally available in the City of Los Angeles. Although lower income neighborhoods experience lower levels of loan origination, in 1995 and 1996, when fewer loans were originated, rates of loan origination in low income communities actually increased. Basically, in a tighter lending market, lower income neighborhoods were receiving a higher share of the loans than in the more open market of 1993. Loan purchases in the secondary market may have contributed significantly to this position for lower income communities. Some of the lowest income neighborhoods experienced loan purchases at rates significantly higher than the Citywide average. Also, the Los Angeles Housing Department created several homeownership assistance programs for low and moderate income borrowers. Housing prices were still lower (than in the 1980s) due to the early 90s' recession, historically low interest rates, and heightened market by lenders have all played a role in this phenomenon.

Additional research is required, however, to obtain a better understanding of lending patterns in the City of Los Angeles. For example, the Western Center on Law and Poverty suggests that a study of credit needs compared to banking services provided is needed to determine whether community needs are being met. No such study has been conducted. Further, an evaluation of lending to the multiple-family market needs to be conducted to determine both credit needs in this market, and the availability of financing for multiple-family projects.

EXHIBIT 41
LOAN OUTREACH AND APPLICATIONS

Community Plan Areas	1990 Hhds	1990 Owner-ship Units	1993			1994			1995			1996			% Change 1993 - 1996
			Appli-cations	% of Hhds	% of Owner Units	Appli-cations	% of Hhds	% of Owner Units	Appli-cations	% of Hhds	% of Owner Units	Appli-cations	% of Hhds	% of Owner Units	
Boyle Heights	22,462	11,968	1,121	5%	9%	1,541	7%	13%	1,300	6%	11%	1,800	8%	15%	61%
Northeast	68,767	45,702	6,067	9%	13%	7,955	12%	17%	5,987	9%	13%	7,842	11%	17%	29%
South Central	75,718	41,660	4,712	6%	11%	7,827	10%	19%	6,772	9%	16%	9,750	13%	23%	107%
Southeast	59,146	38,156	4,080	7%	11%	6,793	11%	18%	6,408	11%	17%	8,411	14%	22%	106%
West Adams	62,343	28,046	4,288	7%	15%	6,510	10%	23%	5,493	9%	20%	7,460	12%	27%	74%
Central City	9,179	513	119	1%	23%	222	2%	43%	224	2%	44%	312	3%	61%	162%
Hollywood	91,709	23,145	4,643	5%	20%	6,978	8%	30%	5,732	6%	25%	7,994	9%	35%	72%
Central City North	4,071	552	56	1%	10%	68	2%	12%	108	3%	20%	85	2%	15%	52%
Silver Lake	26,406	13,700	1,558	6%	11%	2,192	8%	16%	1,734	7%	13%	2,337	9%	17%	50%
Westlake	31,879	3,315	344	1%	10%	475	1%	14%	469	1%	14%	691	2%	21%	101%
Wilshire	106,580	19,108	3,697	3%	19%	5,842	5%	31%	4,722	4%	25%	6,471	6%	34%	75%
Canoga Park	55,697	39,208	7,528	14%	19%	11,286	20%	29%	8,710	16%	22%	10,005	18%	26%	33%
Chatsworth	28,624	20,157	3,522	12%	17%	4,577	16%	23%	3,474	12%	17%	4,770	17%	24%	35%
Encino	28,110	17,386	3,539	13%	20%	4,943	18%	28%	3,581	13%	21%	5,179	18%	30%	46%
Granada Hills	18,884	16,211	2,428	13%	15%	3,195	17%	20%	2,369	13%	15%	3,328	18%	21%	37%
Mission Hills	34,256	18,795	2,646	8%	14%	4,019	12%	21%	3,339	10%	18%	4,540	13%	24%	72%
North Hollywood	48,130	17,004	2,522	5%	15%	3,279	7%	19%	2,744	6%	16%	3,651	8%	21%	45%
Northridge	20,625	11,979	1,866	9%	16%	2,355	11%	20%	1,903	9%	16%	2,570	12%	21%	38%
Sun Valley	21,531	14,754	1,925	9%	13%	2,641	12%	18%	1,958	9%	13%	2,722	13%	18%	41%
Reseda	32,106	21,017	2,729	8%	13%	3,965	12%	19%	2,785	9%	13%	4,228	13%	20%	55%
Sherman Oaks	35,622	16,753	3,237	9%	19%	4,581	13%	27%	3,827	11%	23%	5,354	15%	32%	65%
Sunland - Tujunga	18,652	14,739	2,231	12%	15%	3,984	21%	27%	2,838	15%	19%	3,447	18%	23%	55%
Sylmar	17,171	12,751	1,990	12%	16%	3,089	18%	24%	2,546	15%	20%	3,390	20%	27%	70%
Van Nuys	53,934	20,236	2,923	5%	14%	4,180	8%	21%	2,925	5%	14%	4,644	9%	23%	59%
Arleta - Pacoima	20,040	15,577	1,664	8%	11%	2,990	15%	19%	2,248	11%	14%	3,104	15%	20%	87%
Bel Air	7,958	7,984	2,131	27%	27%	3,515	44%	44%	2,740	34%	34%	3,659	46%	46%	72%
Brentwood	24,518	15,653	3,463	14%	22%	5,695	23%	36%	4,539	19%	29%	5,964	24%	38%	72%
Palms - Mar Vista	45,898	15,931	2,904	6%	18%	3,813	8%	24%	3,045	7%	19%	3,588	8%	23%	24%
Venice	19,279	7,803	1,339	7%	17%	1,867	10%	24%	1,369	7%	18%	1,993	10%	26%	49%
West Los Angeles	33,305	10,815	2,567	8%	24%	3,748	11%	35%	2,837	9%	26%	3,751	11%	35%	46%

Westchester	20,425	10,835	2,440	12%	23%	3,613	18%	33%	2,477	12%	23%	3,672	18%	34%	50%
Westwood	16,967	2,641	1,010	6%	38%	1,550	9%	59%	1,117	7%	42%	1,512	9%	57%	50%
San Pedro	27,211	13,004	2,378	9%	18%	2,827	10%	22%	2,341	9%	18%	2,892	11%	22%	22%
Harbor Gateway	11,014	6,139	990	9%	16%	1,559	14%	25%	1,266	11%	21%	1,668	15%	27%	68%
Wilmington	21,555	12,422	1,483	7%	12%	1,978	9%	16%	1,715	8%	14%	2,178	10%	18%	47%
TOTAL	**1,219,772**	**585,659**	**92,140**	**8%**	**16%**	**135,652**	**11%**	**23%**	**107,642**	**9%**	**18%**	**144,962**	**12%**	**25%**	**57%**

EXHIBIT 42
LOANS ORIGINATED

Community Plan Area	Average Income	1993 Loans Originated	1993 % of Appli-cations	1994 Loans Originated	1994 % of Appli-cations	1995 Loans Originated	1995 % of Appli-cations	1996 Loans Originated	1996 % of Appli-cations	% Change 1993 - 1996
Boyle Heights	$25,870	550	49%	681	44%	512	39%	702	39%	28%
Northeast	$35,932	3,369	56%	3,855	48%	2,577	43%	3,202	41%	-5%
South Central	$25,181	2,144	46%	3,535	45%	2,469	36%	3,284	34%	53%
Southeast	$21,627	1,820	45%	2,987	44%	2,388	37%	3,068	36%	69%
West Adams	$30,958	2,134	50%	2,840	44%	2,052	37%	2,656	36%	24%
Central City	$24,283	56	47%	97	44%	88	39%	124	40%	121%
Hollywood	$42,008	2,486	54%	3,255	47%	2,557	45%	3,221	40%	30%
Central City North	$26,590	33	59%	35	51%	40	37%	32	38%	-3%
Silver Lake	$37,068	832	53%	974	44%	783	45%	937	40%	13%
Westlake	$21,179	150	44%	187	39%	200	43%	240	35%	60%
Wilshire	$38,244	1,894	51%	2,798	48%	2,083	44%	2,466	38%	30%
Canoga Park	$59,746	4,410	59%	5,739	51%	4,118	47%	4,212	42%	-4%
Chatsworth	$67,496	2,081	59%	2,313	51%	1,667	48%	2,024	42%	-3%
Encino	$86,348	2,015	57%	2,414	49%	1,615	45%	2,081	40%	3%
Granada Hills	$63,115	1,437	59%	1,665	52%	1,162	49%	1,398	42%	-3%
Mission Hills	$39,711	1,393	53%	1,926	48%	1,503	45%	1,913	42%	37%
North Hollywood	$39,087	1,379	55%	1,657	51%	1,314	48%	1,505	41%	9%
Northridge	$62,703	1,153	62%	1,171	50%	883	46%	1,060	41%	-8%
Sun Valley	$42,142	982	51%	1,283	49%	893	46%	1,049	39%	7%
Reseda	$43,590	1,562	57%	1,996	50%	1,382	50%	1,770	42%	13%
Sherman Oaks	$70,418	1,863	58%	2,183	48%	1,801	47%	2,261	42%	21%
Sunland - Tujunga	$50,162	1,233	55%	1,520	38%	1,195	42%	1,320	38%	7%
Sylmar	$47,587	1,034	52%	1,433	46%	1,126	44%	1,376	41%	33%
Van Nuys	$41,612	1,592	54%	2,107	50%	1,383	47%	2,019	43%	27%
Arleta - Pacoima	$38,904	803	48%	1,386	46%	957	43%	1,208	39%	50%
Bel Air	$194,898	1,149	54%	1,607	46%	1,198	44%	1,423	39%	24%
Brentwood	$123,007	2,052	59%	2,814	49%	2,154	47%	2,558	43%	25%
Palms - Mar Vista	$45,087	1,843	63%	2,037	53%	1,466	48%	1,614	45%	-12%
Venice	$52,468	754	56%	879	47%	591	43%	849	43%	13%
West Los Angeles	$62,913	1,462	57%	1,916	51%	1,372	48%	1,596	43%	9%
Westchester	$59,214	1,472	60%	1,842	51%	1,189	48%	1,664	45%	13%
Westwood	$81,056	549	54%	739	48%	496	44%	629	42%	15%
San Pedro	$41,641	1,476	62%	1,449	51%	1,097	47%	1,301	45%	-12%
Harbor Gateway	$37,547	547	55%	733	47%	503	40%	625	37%	14%
Wilmington	$36,306	889	60%	978	49%	798	47%	908	42%	2%
TOTAL	**$45,701**	**50,598**	**55%**	**65,031**	**48%**	**47,612**	**44%**	**58,295**	**40%**	**15%**

EXHIBIT 43
LOANS PURCHASED ON THE SECONDARY MARKET
1993 TO 1996

Community Plan Area	1993			1994			1995			1996			% Change 1993 - 1996
	Loans Purch'd	Loans Origin'd	% Purch'd	Loans Purch'd	Loans Origin'd	% Purch'd	Loans Purch'd	Loans Origin'd	% Purch'd	Loans Purch'd	Loans Origin'd	% Purch'd	
Boyle Heights	166	550	30%	104	681	15%	170	512	33%	256	702	36%	54%
Northeast	1,534	3,369	46%	662	3,855	17%	752	2,577	29%	1,279	3,202	40%	-17%
South Central	760	2,144	35%	738	3,535	21%	996	2,469	40%	1,657	3,284	50%	118%
Southeast	543	1,820	30%	765	2,987	26%	1,039	2,388	44%	1,662	3,068	54%	206%
West Adams	891	2,134	42%	632	2,840	22%	705	2,052	34%	1,120	2,656	42%	26%
Central City	28	56	50%	21	97	22%	21	88	24%	54	124	44%	93%
Hollywood	1,057	2,486	43%	604	3,255	19%	644	2,557	25%	1,300	3,221	40%	23%
Central City North	13	33	39%	2	35	6%	19	40	48%	19	32	59%	46%
Silver Lake	371	832	45%	187	974	19%	197	783	25%	364	937	39%	-2%
Westlake	61	150	41%	29	187	16%	43	200	22%	112	240	47%	84%
Wilshire	797	1,894	42%	428	2,798	15%	552	2,083	27%	1,107	2,466	45%	39%
Canoga Park	2,199	4,410	50%	992	5,739	17%	1,161	4,118	28%	1,760	4,212	42%	-20%
Chatsworth	1,090	2,081	52%	385	2,313	17%	445	1,667	27%	889	2,024	44%	-18%
Encino	1,005	2,015	50%	461	2,414	19%	391	1,615	24%	953	2,081	46%	-5%
Granada Hills	762	1,437	53%	269	1,665	16%	328	1,162	28%	610	1,398	44%	-20%
Mission Hills	714	1,393	51%	523	1,926	27%	605	1,503	40%	996	1,913	52%	39%
North Hollywood	713	1,379	52%	310	1,657	19%	343	1,314	26%	744	1,505	49%	4%
Northridge	587	1,153	51%	214	1,171	18%	239	883	27%	467	1,060	44%	-20%
Sun Valley	506	982	52%	260	1,283	20%	241	893	27%	534	1,049	51%	6%
Reseda	829	1,562	53%	394	1,996	20%	435	1,382	31%	837	1,770	47%	1%
Sherman Oaks	891	1,863	48%	434	2,183	20%	512	1,801	28%	1,000	2,261	44%	12%
Sunland - Tujunga	628	1,233	51%	438	1,520	29%	299	1,195	25%	463	1,320	35%	-26%
Sylmar	503	1,034	49%	427	1,433	30%	446	1,126	40%	719	1,376	52%	43%
Van Nuys	826	1,592	52%	382	2,107	18%	413	1,383	30%	862	2,019	43%	4%
Arleta - Pacoima	397	803	49%	443	1,386	32%	413	957	43%	675	1,208	56%	70%
Bel Air	481	1,149	42%	361	1,607	22%	254	1,198	21%	637	1,423	45%	32%
Brentwood	970	2,052	47%	586	2,814	21%	548	2,154	25%	1,179	2,558	46%	22%
Palms - Mar Vista	912	1,843	49%	380	2,037	19%	380	1,466	26%	562	1,614	35%	-38%
Venice	330	754	44%	217	879	25%	149	591	25%	323	849	38%	-2%
West Los Angeles	735	1,462	50%	355	1,916	19%	346	1,372	25%	693	1,596	43%	-6%
Westchester	676	1,472	46%	463	1,842	25%	317	1,189	27%	706	1,664	42%	4%
Westwood	232	549	42%	145	739	20%	120	496	24%	276	629	44%	19%

San Pedro	804	1,476	54%	220	1,449	15%	294	1,097	27%	530	1,301	41%	-34%
Harbor Gateway	298	547	54%	161	733	22%	193	503	38%	345	625	55%	16%
Wilmington	450	889	51%	212	978	22%	263	798	33%	414	908	46%	-8%
TOTAL	**23,759**	**50,598**	**47%**	**13,204**	**65,031**	**20%**	**14,273**	**47,612**	**30%**	**26,104**	**58,295**	**45%**	**10%**